

**DEVELOPING AND EVALUATING
ELEMENTS AND STANDARDS:**

An

Information Guide for Managers

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The Civil Service Reform Act (CSRA) laid the foundation for an effective performance-based Federal management system. Five years after the passage of the Act, however, one problem continues to plague managers: how to write accurate, effective performance elements and standards for their employees. Authors of the law had specific goals in mind when they enacted this legislation: to measure, evaluate and better manage the job performance of most employees on the basis of pre-established performance criteria. These criteria are performance elements and standards.

Managers have had varying degrees of success in writing elements and standards for their employees. Too often they have been burdened with overly complex and technical guides on the subject. This booklet will provide understandable, practical guidelines to enable managers to write accurate and effective elements and standards.

WHAT'S IN THIS BOOKLET

This guide presents general information on the steps involved in the development of elements and standards for individual positions. It is intended for managers who need to revise or adapt current standards and elements to reflect added or changed responsibilities for existing positions; or who need to develop new standards and elements for new positions. This booklet is not a technical document nor does it contain sample elements and standards. It covers the basics involved in the standard setting process.

Page 20, "Everything You Ever Wanted to Know...", includes publications for further reading on subjects contained in this booklet.

This booklet is one of a series of guides being published by the Office of Personnel Management as the "Performance Management Series" - guidance that will assist managers in managing their organizations and personnel more effectively.

STEP 1 - "Look at the Overall Picture"

Before you tackle the task of actually identifying performance elements and developing performance standards for your employees, ask yourself these questions: "What do I need to accomplish this year?" and "How will I know when it's been done, and done right?" Other questions you might ask yourself include:

- o What kind of employees do I have?
- o Do most of my employees do the same thing or do most have very different assignments?
- o Do I want to include my employees in the development of standards?
- o How will I review and monitor work accomplishments?

The answer to "what do I need to accomplish this year?" provides the essential link between individual performance and the attainment of organizational goals. It links the overall organizational plan to the individual job and will reflect the elements of your employees' position. The answer to "how will I know when it's been done, and done right?" will point to performance standards and performance indicators.

In preparation for the actual identification of performance elements and standards, you should collect as much of the following data as possible: mission statements, budget documents, work plans, position descriptions, and sample elements and standards. These materials will provide you with many of the specifics on your organization and give you a head start on describing the duties and responsibilities of your employees. Use these documents, they are timesavers.

STEP 2 - Identifying Performance Elements

BEFORE BEGINNING, REMEMBER....

....There is no one universal method used to determine the performance elements of a position. The only absolute rule is that they must relate to and support the purpose of the position and the organization.

....There is a requirement that everyone have at least one critical element. There is no maximum, but most employees will have between 3 and 8.

....That individual performance elements should not attempt to cover every conceivable activity, knowledge, skill, or product needed for a job.

After reviewing the background information, you are ready to begin identifying performance elements for your employees. Following are a series of questions and answers that will help to determine performance elements:

Q. What is a performance element?

A. A performance element is a major duty or responsibility of an assignment which is important to success or failure in the position. A single assignment may be significant enough to stand alone as a performance element. Collectively, performance elements cover the major duties and responsibilities of the position. Appraisals based on performance elements and standards drive all performance-based actions.

Other terms used to describe a performance element are: major job requirements, task statements, projects, goals, work statements, and assignments to be accomplished.

Q. What is a position description?

A. Position descriptions usually group similar functions and tasks into single paragraphs describing major duties. The collection of these related responsibilities often constitutes a single performance element. But, since this is not always the case, a manager should exercise care in determining whether there may be more than one performance element in a paragraph.

It is important to keep in mind that if the position description is out of date or if the duties and responsibilities are inconsistent with an employee's actual job, necessary adjustments need to be made, such as rewriting the position description.

WHAT ABOUT SHORT TERM ASSIGNMENTS AS ELEMENTS?

Q. Can short term assignments be designated as individual elements?

A. Yes, specific duties or a single assignment may not necessarily be mentioned in the position description, but are important enough to be accounted for in the performance appraisal plan.

For example:

Element (general) - Conducts policy reviews (taken from PD)

If this element is too general, you may wish to modify it to account for more specific policy review requirements during the current performance appraisal year. Change the general element based on an assignment.

For example:

Element (specific) - Conducts policy review on disposition of surplus property (specific for this year).

An alternative to this approach would be to include the specifics of the policy review requirements in the standard.

For example:

Element (general) -- Conducts policy reviews

Standard (specific) -- Policy reviews on disposition of surplus property are conducted in accordance with existing agency regulations and guidance.

In this case, the element would not have to be changed each year. Instead, the standard is modified to account for specific organizational priorities.

All performance elements should be stated in a short, concise sentence that describes the major duty. Simplicity is very important. Write down what is rather than what should be.

YOUR NEXT MOVE - IDENTIFYING CRITICAL ELEMENTS

Q. What is a critical element?

A. A critical element is one that is so crucial to the success of the position that unsatisfactory performance on it constitutes failure in the position no matter how well the employee performs in the other elements.

Critical elements are the most important duties of the position. They should be the components of the position that bear a significant relationship to the basic purpose of the position and provide the essential links between an individual job and the accomplishment of your agency's mission and goals. Just as with performance elements, the number of critical elements needs to be manageable.

Q. How do I figure out which elements are critical?

A. Ask yourself the following questions:

Is the element a major component of the job?

If the element were not identified as critical, would the work of the organization be affected in some way?

If the employee performed unacceptably on the element, would there be serious consequences to completing the work of the organization?

Does the element require a significant amount of the employee's time on the job?

Is there a statutory or regulatory requirement related to performance of this element?

What is the consequence of an employee error on this element?

There is no fixed or uniform number of critical elements for a job; the number varies with the job and may even vary from year to year for the same job in response to changing program emphases. However, every job must have at least one critical element.

SO YOU THINK YOU'VE FINISHED....

After you have completed the identification of the performance elements, use the following checklist to evaluate your work.

Is this element...

1. Purposeful/goal oriented? Does it contribute to work unit objectives?
2. Required to do the job?
3. Position-based? Does it reflect actual work assigned to your employee?
4. Objectively measurable? Does it identify job related behaviors, tasks, and outcomes?
5. A significant component of the job? Is it important enough, and done often enough, to make it worth appraising?
6. Distinguishable from other performance elements? Does it stand on its own? Is it clearly different from other elements?
7. Practical to measure?
8. Complete? Does it address process, when appropriate, as well as product?
9. Within the employee's control?

STEP 3 - Developing Performance Standards

PERFORMANCE STANDARDS ARE MEASURES. REMEMBER....

-Performance standards should be objective, realistic, reasonable, and stated clearly in writing.
-Performance standards should be expressed in terms related to achieving the unit's or organization's goals and objectives.
-Performance standards should include sufficient detail about job expectations so that performance ratings and documentation will provide the necessary information to make personnel decisions and take actions based on the performance appraisal process.
-Performance standards should concentrate on describing the job at the fully successful level. Most employees will perform at this level. It is important that the definition of fully successful performance completely describe the expectations of the job and not be diluted in order to allow easy attainment of performance at levels above fully successful.
-While standards must, to the maximum extent possible, permit appraisal on the basis of objective criteria, they are not intended to, nor can they, remove management judgment from

the performance appraisal process. Many systems which try to achieve maximum objectivity become overly mechanistic, failing to give enough weight to the qualitative aspects of job performance.

Q. What is the difference between performance elements and performance standards?

A. A performance standard is a measure established by management of the level of achievement for the duties and responsibilities of a position. It measures levels of accomplishment for a performance element during a specific period of time.

Standards may be based on observable work behaviors (how a job is done rather than what is accomplished) or work outcomes expressed in terms of quality, quantity, timeliness, or cost-effectiveness.

Factors often used to describe what constitutes a performance standard: assignment outcomes, due dates, key results areas, priorities and commitments.

A performance standard simply answers the question, "the work being done?"

Performance standards are generally expressed in terms of work outcomes describing quality, quantity, timeliness, and cost-effectiveness.

- o Quality - How well the work is performed and/or how accurate or how effective the final product is. Quality refers to accuracy, appearance, usefulness or effectiveness.
- o Quantity - How much work is produced. Quantity measures can be expressed as an error rate, such as number or percentage of errors allowable per unit of work, or as a general result to be achieved.

When you set a quality or quantity standard, remember that the standard should be high enough to be challenging but not so high that it or other elements are not really achievable.

- o Timeliness - When, how quickly, or by what date the work is produced. The most common error made by managers in setting timeliness standards at the fully successful level is to allow no margin for error. As with other standards, timeliness standards should be set realistically in view of other performance requirements and needs of the organization.

- o Cost-Effectiveness - Savings to the government in money.

Standards that address cost-effectiveness should be based on specific resource levels (money, personnel, or time) that generally can be documented and measured in agencies' annual fiscal year budgets.

Cost-effectiveness standards may include such aspects of performance as: maintaining (or increasing) a level of production or service with fewer employees or with less money; or reducing the time it takes to produce (provide) a product (service); or complying with government-wide cost savings efforts like A-76 contracting procedures.

QUALITY STANDARDS

Remember that terms such as "how accurate", "how well" or "how effective" are all subjective judgments and are open to interpretation. Since measuring quality is the most difficult part of developing performance standards, a manager must be careful to write the standards as specifically as possible.

Quality standards are not impossible to write; they simply require that the manager get from point A - "I know it when I see it" to point B - putting "it" down on paper in a clear and concise manner.

In addressing the problem of specificity of quality standards, the best approach is to define quality in terms of **performance indicators**.

Performance indicators are identifiable results or events suggesting that specific levels of quality have been achieved. They make objective an otherwise subjective measure. Some performance indicators are:

- o results desired. This measurement defines a duty in terms of the type of result to be obtained. An example of this could be: "Option papers contain accurate data (no significant errors in fact) and thorough discussion of options (no significant options are omitted)."

- o manner of performance. This type of measurement is often helpful in establishing standards for positions in which personal contacts are an important factor, or when an employee's personal behavior has an effect on performance. An example of this could be: "Speaks clearly and with sufficient volume to be heard."

- o method of doing. This type of measurement is used when there is a standard procedure or method for accomplishing a task and when the use of other than the prescribed procedure is unacceptable. An example of this could be: "Forms completed in accordance with office standard operating procedure."

SO YOU THINK YOU'VE FINISHED....

After you have developed the performance standards, use the following checklist to evaluate your work.

Is this performance standard...

1. Objective? Are the indicators specified observable? Are the criteria clear?
2. Attainable? Is this a reasonable expectation for an employee at this level?
3. Challenging? Does the employee need to exert a reasonable amount of effort to reach a fully successful performance level?
4. Fair? Does the standard call for the employee to do a "fair share" of the work? Is it comparable to what is expected of employees in similar positions? Is it distinguishable from what is required of employees at lower and higher grade levels?
5. Applicable? Can the manager use the standard to rate performance? Can he or she manage the data?
6. Communicable? Can the employee be expected to understand what is required? Can it be written down?
7. Flexible? Can the standard be readily adapted to changes in resources or objectives?
8. Surpassable? Unless the standard is written for the very highest level of performance, is it possible for an employee's work to exceed it?

DON'T GIVE UP....

In trying to understand the basics of writing accurate, solid performance elements and standards. This booklet has sought to acquaint the manager with the development of performance elements and standards. This process is at the heart of any performance appraisal system, and it is the one, when done correctly, that will allow you to manage your organization in a creative and effective manner.

ONE LAST WORD....

Today's public demands improved quality and delivery of products and services at all levels: from efficient, economical cars produced by Detroit to the timely and accurate payment of health benefits by government agencies. Responsibility for delivery of these products and services is shared by all employees. Managers and supervisors, however, shoulder the responsibilities of increased accountability: to the Congress, to higher management, to employees and ultimately, to the public. Through an effective, well-run performance management system, accountability can be achieved because it is based on a verifiable and equitable performance appraisal system whose basic components are performance elements and standards.

EVERYTHING YOU EVER WANTED TO KNOW ABOUT.....

Office of Personnel Management Publications:

A Guide for Improving Performance Appraisal

A Diagnostic Guide for Improving Quality of Performance Elements and Standards

Fed Facts 21 - Performance Appraisal

Appraising Managerial Performance

Performance Standards Handbook: A Reference for Managers and Supervisors

General Performance Appraisal References:

Lloyd S. Baird, Richard W. Beatty, and Craig Eric Schneier, The Performance Appraisal Sourcebook, 1982, Human Resource Development Press, Amherst, Massachusetts.

C. Patrick Fleenor and M. Peter Scontrino, Performance Appraisal: A Manager's Guide, 1982, Kendall/Hunt Publishing Company, Dubuque, Iowa.

Richard Henderson, Performance Appraisal: Theory to Practice, 1980, Reston Publishing Company, Inc., Reston Virginia.

George L. Morrissey, Performance Appraisals in the Public Sector: Key to Effective Supervision, 1983, Addison-Wesley Publishing Company, Reading, Massachusetts.

IN APPRECIATION OF....

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